

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN POWER AREA ADMINISTRATION
ROCKY MOUNTAIN REGION
Loveland Area Projects**

NON-FIRM POINT-TO-POINT TRANSMISSION SERVICE

Applicable

The Transmission Customers will compensate Rocky Mountain Region (RMR) for Non-Firm Point-to-Point Transmission Service under the applicable Non-Firm Point-to-Point Transmission Service Agreement and rate outlined below. The formula rates used to calculate charges for service under this schedule were issued and may be modified under applicable Federal laws, regulations, and policies.

RMR may modify the charges for Non-Firm Point-to-Point Transmission Service upon written notice to the Transmission Customer. Any change to the charges to the Transmission Customer for Non-Firm Point-to-Point Transmission Service will be listed in a revision to this rate schedule and made part of the applicable service agreement. RMR will charge the Transmission Customer under the rate then in effect.

Discounts

Three principal requirements apply to discounts for transmission service: 1) any offer of a discount made by RMR must be announced to all eligible customers solely by posting on the Open Access Same-Time Information System (OASIS); 2) any customer-initiated requests for discounts, including requests for use by one's wholesale merchant or an affiliate's use, must occur solely by posting on the OASIS; and 3) once a discount

**Rate Schedule L-NFPT1
SCHEDULE 8 to Tariff
October 1, 2006**

is negotiated, details must be immediately posted on the OASIS. For any discount agreed upon for service on a path, from Point(s) of Receipt to Point(s) of Delivery, RMR must offer the same discounted transmission service rate for the same time period to all eligible customers on all unconstrained transmission paths that go to the same point(s) of delivery on the transmission system.

Unauthorized Use of Transmission

If a Transmission Customer (including the transmission provider for third-party sales) engages in unauthorized use of RMR-managed transmission systems, the Transmission Customer will be charged 150 percent of the demand charge for the type of service at issue (reserved); e.g., hourly, daily, weekly, or monthly, with a maximum demand charge set at monthly.

Unauthorized use is defined as unscheduled or untagged use of the transmission system and any affiliated ancillary service, exceeding reserved capacity at any point of delivery or receipt. Unauthorized use may also include a Transmission Customer's failure to curtail transmission when requested.

Effective

The first day of the first full billing period beginning on or after March 1, 2004, through February 28, 2009.

Formula Rate

Maximum Non-Firm Point-to-Point Transmission Rate	=	Firm Point- to-Point Transmission Rate
--	---	---

**Rate Schedule L-NFPT1
SCHEDULE 8 to Tariff
October 1, 2006**

Rate

The rate to be in effect October 1, 2006, through September 30, 2007, is:

Maximum of:

Monthly:	\$2.75/kW of reserved capacity per month
Weekly:	\$0.63/kW of reserved capacity per week
Daily:	\$0.09/kW of reserved capacity per day
Hourly:	3.75 mills/kWh

This rate is based on the above formula and FY 2005 financial and load data.